

Individualism and Collectivism

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Chapter 10

INDIVIDUALISM AND COLLECTIVISM

The differential impact of job competencies and characteristics on wages and employee well-being in Japan and the Netherlands

Christophe Boone*, Christoph Meng** and Rolf van der Velden**

* University of Antwerp

** University of Maastricht

10.1 Individualism and Collectivism

In describing and comparing different cultures, one runs the risk of unwarranted stereotyping. However, in our case it is probably fair to say that the Japanese and Dutch cultures are – on a country-level average – fundamentally different in several respects. Before discussing the most important difference related to our analyses, we briefly define the term culture as it is used in this chapter. Following Hofstede (1984), we define culture as “*the collective programming of the mind which distinguishes the members of one human group from another*”. As is generally accepted, this collective programming may have a profound impact on individual attitudes and behaviour in a variety of settings, and vice versa. In this respect we follow the line of more recent theories of culture stressing the importance of viewing culture and psyche as intricately related phenomena. This subtle interplay is nicely described by Kitayama et al. (1997), who suggest that “*people in any given cultural context gradually develop through socialization a set of cognitive, emotional, and motivational processes that enable them to function well – naturally, flexibly, and adaptively – in the types of situations that are fairly common and recurrent in the cultural context*” (ibid., p. 1245). So the cultural system not only defines how people tend to behave, but behaviour at the same time reinforces the cultural system in which people live.

Returning to the fundamental cultural differences between Japan and the Netherlands, we highlight only one of them here, namely the degree to which individualistic versus collectivistic behaviour plays a central role in

both countries. Dutch culture is in general more individualistically oriented than Japanese culture, which has a more collectivistic orientation. Individualism, as considered here, pertains to societies where the ties between individuals are loose and hence everyone is expected to look after him or herself. Collectivism, as the opposite orientation, pertains to societies in which individuals are integrated into strong, cohesive in-groups from birth onwards, which throughout their lifetime continue to protect them in return for unquestioning loyalty (Hofstede, 1984)¹. From childhood onwards, individuals in collectivistic cultures will therefore act according to the interest of these in-groups, even in cases where this does not coincide with their best individual interest. The importance of these in-groups, and their role as frame of reference, expresses itself in the Japanese culture by the term '*Rashii*', meaning 'similar to' or 'prototypical of' (Heine et al., 1999). Children are encouraged to be a *Rashii*-child, and when they grow up they pass through a number of developmental stages, societal roles and positions, each associated with a distinct consensual image of *Rashii*. Individuals raised in such a culture will therefore develop the desire to belong to their in-group. Put differently, the Japanese culture "...is organized around the view of the self as an interdependent and mutually connected entity" (Kitayama et al., 1997, p. 1260). By contrast, children in individualistic countries are encouraged to find their own 'self' and to explore their own talents and abilities. According to Heine et al. (1999), in such a culture one can therefore expect the person "...to be a separate and somewhat non-social individual who exists independently." (ibid, p. 769).

Because of this fundamental cultural difference, we expect that Japanese actors in the labour market will value and pay attention to different job characteristics and competencies than Dutch actors. Specifically, Hofstede (1984) already found indications that people raised in cultures that focus on self-enhancement desire 'to have a job which leaves sufficient time for personal or family activities', 'to have considerable freedom to adopt one's own approach to the job' and 'to have challenging work to do'. Such job characteristics appeared far less salient in collectivistic cultures. Although cultural dimensions are not immune to changes over time², it seems fair to say that the differences between Japanese culture and Dutch culture are still present.

¹ Although the general distinction between individualism and collectivism as defined by Hofstede has been criticised for ignoring differences within countries (Triandis, 1994), such criticisms do not invalidate the usefulness of this approach for our analyses.

² "One long-term trend [in Japan, author's remark] that has developed is a decline in the percentage of people who regard work as making their everyday lives worthwhile. There is a growing tendency to emphasize family, or sports and other interests over work. Almost 60% of workers would now choose to have more free time rather than a higher income. The sense of identity with the company is also weakening" (Foreign Press Center, 1993).

The general reasoning underlying this chapter is that if cultural differences are indeed still important, they will resonate in many aspects of social life, and will therefore also partly steer the process by which the skills and competences of employees are selected and sorted in the labour market. Specifically, we expect that average cultural values at the national level with respect to individualism versus collectivism operate as selection and sorting yardsticks for within-country skill and competence differences between employees. This is because average cultural differences influence the overall psychological construction of the self, as mentioned above (Kitayama et al., 1997). As individuals are imprinted with these values, they will also partly determine what people value and find important in the labour market. The empirical implications are quite straightforward, both with respect to the behaviour of employers and employees.

Employers will on average be inclined to design jobs with characteristics that are congruent with imprinted national cultural values, and favour and select employees whose skills and competences fit these values. So we expect that jobs for higher education graduates in Japan will more often show collectivistic characteristics (e.g., teamwork) than those in the Netherlands, and that Japanese employers will assign relatively greater weight to collectivistic competences (e.g., loyalty). They will emphasise these competences relatively more often than Dutch employers when hiring employees. Conversely, jobs offered by Dutch employers for higher education graduates will more often be characterised by individualistic characteristics (e.g., challenging tasks) and will more often require individualistic competences (e.g., assertiveness). This leads to the following hypotheses:

H1. Compared to Japan, employers in the Netherlands will relatively more often offer jobs that stress individualistic job characteristics and require individualistic competences from higher education graduates.

H2. Compared to the Netherlands, employers in Japan will relatively more often offer jobs that stress collectivistic job characteristics and require collectivistic competences from higher education graduates.

If countries differ with respect to the type of jobs and competences that are valued, then it is likely that employers will also appreciate employees who match required skills and competences more than those who do not. A relatively straightforward indicator of the employer's appreciation is the wage he/she pays for valued skills and competences. We expect that employers will pay more to employees performing jobs that fit the imprinted national values. By doing so, employers enhance the attraction and retention of valued skills and competencies (Schneider, 1987), and provide incentives that reinforce employee behaviour that is generally valued.

H3. Especially in the Netherlands, individualistic job characteristics and competences are associated with higher wages.

H4. Especially in Japan, collectivistic job characteristics and competences are associated with higher wages.

Because employees are also imprinted with national cultural values, they will probably value jobs that require skills and competences that fit their cultural 'self' more than jobs that do not. We investigate this by focusing on employee job satisfaction and intention to quit the job. That is, we expect that employees whose jobs – in terms of characteristics and competences – fit their cultural 'self' will be more satisfied and less likely to quit their job.

H5. Especially in the Netherlands, individualistic job characteristics and competences have a positive effect on job satisfaction and a negative effect on intention to quit the job.

H6. Especially in Japan, collectivistic job characteristics and competences have a positive effect on job satisfaction and a negative effect on intention to quit the job.

10.2 Data and Model

The graduate surveys contain two types of data that are relevant in the context of the individualism-collectivism dimension outlined above. To start with, graduates were asked to rate the degree to which specific competences are currently required in their professional situation. Secondly, the graduates were presented a list with job characteristics and were asked to indicate the extent to which these characteristics apply to their present job.

The original list of competences involves 36 items, while the list of job characteristics is composed of 19 different characteristics. Each of these items were rated by each author independently as: 1) reflecting a clear collectivistic orientation; 2) reflecting a clear individualistic orientation; or 3) not relevant to the collectivism-individualism dimension. The individual ratings of the three authors were then compared. Of the 36 competence items, 24 were unanimously rated: 3 as 'collectivistic', 5 as 'individualistic' and 16 as 'not relevant to the collectivism-individualism dimension'. The remaining 12 items received mixed ratings. In all cases these mixed ratings meant that at least one of the authors doubted whether this item was relevant to this dimension or not.

Of the 19 job characteristics, 11 were unanimously rated: 4 as 'collectivistic', 5 as 'individualistic' and 2 as 'not relevant for the collectivism-individualism dimension'. The remaining 8 items received mixed ratings. Again, in most cases the mixed ratings meant that one or two authors rated the characteristic as not relevant for the collectivism-individualism dimension. Only in two cases did the authors not agree whether an item reflected a collectivistic or an individualistic orientation.

The items that were unanimously rated by the authors were the following:

Individualistic competences:

- Reflective thinking, assessing one's own work
- Working independently
- Initiative
- Assertiveness, decisiveness, persistence
- Critical thinking.

Collectivistic competences:

- Working in a team
- Adaptability
- Loyalty, integrity.

Individualistic job characteristics:

- Independent disposition of work
- Opportunity of pursuing own ideas
- Challenging tasks
- *Enough time for leisure activities*
- *Good chances of combining employment with family.*

Collectivistic job characteristics:

- Clear and well-ordered tasks
- Social recognition and status
- Possibility of working in a team
- Chance of doing something useful for society.

We used each of these items for further analysis, except for the two items printed in italics. We omitted these last two items because they correlate very strongly with having a part-time job, whereas we decided to focus on full-time jobs only for the sake of comparability (see below). The other items were used to construct two different scales. The first scale reflects *individualism* and encompasses the individualistic items (both competences and job characteristics). The second scale reflects *collectivism* and uses the collectivistic items. To test the internal consistency of the two scales, table 10.1 presents values of Cronbach's alpha for each of the constructed scales in the total combined sample as well as in the four data sets separately.

Table 10-1. Reliability of the individualism and collectivism scales (Cronbach's alpha)

Scale	Total sample	JP 94/95	JP 88/90	NL 94/95	NL 90/91
Individualism	0.80	0.79	0.81	0.77	0.76
Collectivism	0.67	0.70	0.70	0.61	0.55

With the exception of the collectivism scale measured for the two Dutch cohorts, the reliability of the two scales ranges from acceptable to high³. Further analysis of the total combined sample shows that deletion of any of the collectivistic items does not improve reliability. The relatively low reliability of the collectivistic scale may be due to the rather limited number of items. In any case, note that this relatively low reliability is not too problematic because it makes it harder to find significant relationships and therefore goes tends to disconfirm our hypotheses.

The next step was to secure the comparability of the scales between the two countries. This is of particular importance as the first two hypotheses formulated involve a two-way comparison: a direct comparison between the values of the two scales between the two countries and a relative comparison within a country between the scores on the collectivism and the individualism scale. These two forms of comparison may lead to different outcomes. An example may clarify this issue. Suppose that Dutch employers on average require more competences, both individualistic and collectivistic, than Japanese employers, but the difference in required individualistic competences is much greater than the difference in collectivistic competences. In our opinion this should be interpreted as a relative (but not an absolute) emphasis on individualistic competences by Dutch employers. The same problem may apply to job characteristics. Jobs for Japanese graduates may be rated systematically higher or lower on all job characteristics than the jobs for Dutch graduates. However, there may still be a difference in the relative within-country ordering of these characteristics that may be of interest.

We deal with this problem by transforming the scores on the items into relative scores, as follows. For each data set, we calculated the mean of the individualistic *and* collectivistic items for the required competences and for the job characteristics separately. We then subtract these means from the original values of the items involved. The collectivism and individualism scales are then calculated by taking the unweighted average of the underlying relative scores. The resulting scales represent a relative value of the individualistic items compared with the scores on the collectivistic items in the case of the individualism scales and vice versa.

³ Values of Cronbach alphas above 0.7 are usually acceptable as indication of internal consistency (Nunnally, 1978).

All analyses were performed for Japan and the Netherlands separately, using both the young and the old cohorts. In all cohorts we selected those respondents with working hours in the range 36–48 (full-time workers). We omitted the upper and lower 0.5% of the monthly wage distribution to avoid outliers. Furthermore, we selected respondents whose age was in the range 25–40 years for the young cohorts and 27–45 years for the older cohorts. To test the first two hypotheses we simply use one-way ANOVA to analyse the differences in the means between the two countries. To test the other four hypotheses we perform several multivariate analyses: OLS regression in the case of wages and job satisfaction and logistic regression in the case of job quit intention.

To investigate the effect of the individualistic and the collectivistic scales on wages we estimate the following wage equation for Japan and the Netherlands separately:

$$\text{GMW} = a_1 + a_2 (X) + a_3 (Y) + a_4 \text{MIS} + a_5 \text{MCS} + a_6 \text{Old} \quad (1)$$

Where: GMW = Log Gross monthly wage in Euros⁴

X = vector with covariates

Y = vector with dummies for the educational sectors in each country

MIS = mean individualism scale

MCS = mean collectivism scale

Old = dummy for the old cohort (1 = old cohort; 0 = young cohort)

Covariates include the following: age, gender, a dummy indicating if the respondent is currently married or living with a partner, a dummy indicating if the respondent has children, an interaction term of being a woman and having children, a dummy indicating if the respondent has followed the academic track in secondary education (only in the case of the Netherlands) and a vector with dummies representing the different educational sectors from which the respondents graduated. This vector is constructed as follows. For the Dutch educational sectors we distinguished between university and higher vocational education sectors. This amounts to a total of 13 different sectors in the Netherlands (note that the educational sector 'law' is not taught at higher vocational level) and 7 different sectors in Japan. 'Arts and Humanities' at university level is used as the reference category in both countries.

A similar analysis is carried out with respect to job satisfaction, which is measured by the following question: "Altogether, to what extent are you satisfied with your current work?"⁵. Here we estimate the following OLS regression model:

⁴ The Japanese questionnaire made no distinction between earnings from contractual hours and overtime earnings. We therefore used the total monthly wages, including overtime, in both cases.

⁵ For a more extensive analysis of job satisfaction, see chapter 9.

$$JS = a1 + a2 (X) + a3 (Y) + a4 MIS + a5 MCS + a6 Old (3)$$

Where: JS = job satisfaction (range 1 = very dissatisfied; 5 = very satisfied)

Finally we estimate the odds of quitting the present job, using a logistic regression model.

$$QI = a1 + a2 (X) + a3 (Y) + a4 MIS + a5 MCS + a6 Old (5)$$

Where: QI = Quit intention (1 = yes; 0 = no)

Quit intention is estimated by the question: "Have you actively tried to obtain (other) paid work in the past 4 weeks" with answers 1) yes, 2) no and 3) no, but I am awaiting the results of earlier job applications. For the analysis, the first and third categories have been taken together.

10.3 Results

Table 10.2 presents the means of the different constructed scales and the significance of the difference in means between the Japanese and Dutch cohorts. We present the absolute means as well as the relative means, as discussed above. The differences between the two countries are calculated separately for the young and the old cohorts, to increase the comparability with respect to the labour market situation of the respondents.

With respect to the absolute scores, the results show that for both the individualism and the collectivism scale the Dutch cohorts score higher than the Japanese. While for the younger cohorts the difference is significant at the .01 level for both scales, for the older cohorts this difference is only significant in the case of the individualism scale. The results confirm the first hypothesis: Dutch employers more often require individualistic competences and jobs. The second hypothesis, however, is not confirmed in the analysis of the absolute scores. The Japanese employers do not require collectivistic competences more often and the jobs do not show more collectivistic characteristics. The results even seem to point in the opposite direction.

Table 10-2. Means on individualism/collectivism scales (standard deviation between brackets) and difference in means between Japanese and Dutch cohorts (ANOVA)

Scale	JP 88/90	NL 90/91	Significance of difference	JP 94/95	NL 94/95	Significance of difference
Absolute	3.7102	3.9735	***	3.6695	4.0030	***
Individualism	(0.16)	(0.12)		(0.21)	(0.18)	
Absolute	3.6665	3.6737		3.6798	3.7407	***
Collectivism	(0.16)	(0.12)		(0.21)	(0.18)	
Relative	0.0206	0.1400	***	-0.070	0.1226	***
Individualism	(0.16)	(0.12)		(0.21)	(0.18)	
Relative	-0.0231	-0.1597	***	0.0083	-0.1397	***
Collectivism	(0.16)	(0.12)		(0.21)	(0.18)	

*** p<.01

One way to clarify the results is to look at the relative rather than the absolute scores. In both cohorts the Dutch show higher scores on the absolute scales, but the differences are much greater for the individualism scale than for the collectivism one. This becomes clear if we look at the relative scales, where we see that the Dutch cohorts score relatively higher on individualism, but the Japanese cohorts score relatively higher on collectivism. This results in a positive difference of the relative collectivism scale between the Japanese and the Dutch cohorts (significant at the .01 level). Dutch employers, on the other hand, put relatively more weight on individualistic competences and job characteristics. This results in a negative difference of the relative individualism scale between the Japanese and Dutch cohorts, again significant at the .01 level. Based on the results presented in table 10.2, we can conclude that the first two hypotheses have both been confirmed with respect to the relative measures. The latter finding is important because country differences in our absolute measures can also be caused, at least in part, by systematic between-country measurement and sampling bias, and uncontrolled confounding differences. These potential alternative explanations, of course, do not apply to the differences in relative scores.

We now turn to the effects of the individualism and the collectivism scales. Table 10.3 presents the results.⁶

In both countries we find that the individualism scale has a positive wage effect. However, the effect for the Dutch cohorts is about twice as strong as the effect for the Japanese cohorts. One unit increase in the individualism scale raises the monthly wages for Dutch graduates by 10.5% as compared to 5% for the Japanese graduates. With respect to the collectivism scale, we only find a positive (and strongly significant) impact on the wage in case of Japan. One unit increase in the collectivism scale raises the wages of the

Table 10-3. OLS wage equations with individualism and collectivism scales, controlling for covariates and educational sector (control variables not shown)

Variable	JP		NL	
	Parameter Estimate	Standard error	Parameter Estimate	Standard error
Individualism	0.050**	0.010	0.105**	0.011
Collectivism	0.029*	0.012	0.010	0.012
Older cohort	0.213***	0.032	0.165**	0.013
Adj. R2	0.329		0.326	
N	3632		2970	

** p<.01, * p<.05

⁶ The estimates for the control variables are not presented here, but are available upon request.

Japanese graduates by 2.9%. Although the results indicate that in both countries the wage impact of the collectivistic items is smaller than the impact of the individualistic items, we see that in relative terms the individualistic items are of more importance when explaining wage differentials in the Netherlands than in Japan. Furthermore, the collectivism scale only affects the wages of the Japanese graduates. So only Japanese employers seem to value collectivistic competencies and jobs, whereas Dutch employers pay off individual competencies and jobs twice as much as their Japanese counterparts. Taken together, these results are therefore in line with our expectations formulated in hypotheses 3 and 4.

We now turn to the employee perspective and look at the effects of the individualism and collectivism scales on job satisfaction. Table 10.4 presents the results of these analyses.

The results show that both the individualism and collectivism scales have a strong positive impact on job satisfaction in both countries. Maybe this general finding indicates that demanding jobs – requiring many competencies and skills (individualistic and collectivistic) – are more satisfying than non-demanding jobs. Nevertheless, there are some remarkable differences between the two countries with respect to the strength of the relative impact of the individualism and collectivism scales. Specifically, the effect of the individualism scale is clearly stronger in the Netherlands than in Japan, as expected. In addition, Table 10.4 also reveals that the individualistic characteristics are more influential, in a relative sense, than the collectivistic ones in Netherlands. With respect to the collectivism scale, the opposite holds. That is, its impact on job satisfaction is clearly stronger in Japan than in the Netherlands. Mirroring the Dutch case, the collectivistic items are more influential than the individualistic ones in Japan. Taken together, the results support the expectations with respect to the determination of job satisfaction as formulated in hypotheses 5 and 6, again in relative terms. Specifically, collectivism is relatively speaking more

Table 10-4. OLS job satisfaction equations with individualism and collectivism scales, controlling for covariates and educational sector (control variables not shown)

Variable	JP		NL	
	Parameter Estimate	Standard Error	Parameter Estimate	Standard error
Individualism	0.399***	0.029	0.615***	0.032
Collectivism	0.540***	0.033	0.190***	0.034
Old Cohort	0.194**	0.089	0.111***	0.038
Adj. R2	0.24		0.18	
N	3620		2948	

*** p<.01, ** p<.05

Table 10-5. Logistic regression equations of Job quit intention with individualism and collectivism scales, controlling for covariates and educational sector (control variables not shown)

Variable	JP		NL	
	Parameter estimate	Standard error	Parameter Estimate	Standard error
Individualism	-0.092	0.209	-0.820***	0.109
Collectivism	-0.420*	0.235	-0.132	0.120
Old cohort	-1.528**	0.654	0.072	0.130
Model Chi2	25.963		105.37	
Df	14		21	
P	0.026		0.00	
Nagelkerke R2	0.038		0.059	
N	3626		2968	

*** $p < .01$, ** $p < .05$, * $p < .05$

important in determining the wellbeing of Japanese employees than individualism, while the opposite is true for Dutch employees.

Do we find similar results if we look at job quit intention rather than job satisfaction? Table 10.5 presents the results of the logistic regressions.

The collectivism scale is associated with significantly lower odds of quitting the job in Japan. However, no significant effect of the collectivism scale on the odds of quitting the job is found in the Netherlands. Interestingly, the opposite holds if we look at the effects of the individualism scale. That is, jobs characterised by a high degree of individualistic competencies and job characteristics are associated with significantly lower odds of quitting the job in the Netherlands. This, however, is not the case in Japan. To summarise, Dutch employees do not intend to quit jobs that fit their individualistic values. Conversely, Japanese employees are more likely to hold on to jobs that match their collective values. Taken together, the results confirm the expectations with respect to quit intentions as formulated in hypotheses 5 and 6.

10.4 Conclusions

It is well known that people who are raised in different countries tend to be imprinted by different cultural values (Hofstede, 1984). Past cross-cultural research has mainly focused on describing average differences between countries without paying much attention to the microconsequences of these cultural differences for individual attitudes and behaviour in specific settings. Kitayama et al. (1997, p. 1246) aptly observe in the realm of the field of social psychology that "... this metatheoretical commitment to the Cartesian-like split between culture and the psyche may have made it very

difficult for social psychologists to see the very sociocultural nature and origins of many social psychological processes". We believe that this observation also applies in other settings, such as the impact of national culture on the behaviour of individual agents in the labour market, as we set forth to develop in the present chapter.

Here we follow the collective constructionist theory of the self recently proposed by Kitayama *et al.* (1997) to overcome this Cartesian-like split. They suggest (Kitayama, 1997, p. 1245) that "people in any given cultural context gradually develop through socialisation a set of cognitive, emotional, and motivational processes that enable them to function well – naturally, flexibly, and adaptively – in the types of situations that are fairly common and recurrent in the cultural context. In this sense, psychological tendencies do not just unfold within the person through maturation. Rather, they are constituent elements of a given cultural system and cannot be separated from it. An individual's psychological system must be attuned to and coordinated with the cultural system in which she or he is participating. Without this attunement, people will feel unnatural and out of place". So, what people prefer, value and ultimately do is, at least in part, an extension of, and tends to be continuously attuned to, the underlying cultural system in which one has been raised.

We have argued in this chapter that the implication of this reasoning for the attitude and behaviour of agents on the labour market is straightforward. First, employers will design and value (i.e., remunerate) jobs requiring competencies and characteristics that are attuned to the overall cultural system in which these employers participate. Similarly, employees will be happy when the type of job they perform fits the overall system values, and thus by implication their personal psychological system. As individualistic cultures are organised around the view of the self as an independent and autonomous entity, whereas collectivistic cultures are organised around the view of the self as an interdependent and mutually connected entity (Kitayama, p. 1260), precise predictions can be made with respect to the differential impact of job competencies and characteristics in the Netherlands compared to Japan.

Several hypotheses were tested and most findings were in line with our predictions. They can be summarised as follows. First, Dutch employers tend to design jobs in which, relatively speaking, more weight is attached to individualistic job competences and characteristics, such as, assertiveness, and the ability to work independently on challenging tasks. Japanese employers, however, tend to put equal weight on both collectivistic (such as the ability to work in a team, and loyalty and integrity) and individualistic job competencies and characteristics. Second, employers are willing to pay a price for overall cultural system attunement. Specifically, only in Japan do employers pay higher wages for collectivistic competencies and jobs, whereas Dutch employers pay off individual competencies and jobs twice as

much as their Japanese counterparts. Third, value attunement also seems to enhance employee wellbeing and willingness to stay. That is, collectivistic competencies and jobs contribute much more to job satisfaction and willingness to stay in Japan compared to the Netherlands. The opposite is the case for individualistic competencies and jobs.

These empirical findings are clearly consistent with the view that attitudes and behaviour tend to (be) attune(d) to the nation's overall cultural system. Employers do seem to design jobs and stress competencies that fit their imprinted, system-based values, whereas employees value jobs that fit their fundamental value blueprint. On a more general level, our findings suggest that the nation's cultural system operates as an overall sorting mechanism in the labour market. Specifically, employers tend to attract and select (e.g., by paying higher wages) employees whose values are attuned to the cultural system. On the other hand, employees in jobs that do not fit their value blueprint are less satisfied and more likely to leave the job. It is clear that such processes of selection and attrition are important mechanisms with respect to the reproduction and perpetuation of a given cultural system. In other words, such sorting mechanisms tend to reinforce the very cultural system from which they are derived. Viewed from such a dynamic angle, it becomes clear that within-country differences with respect to values (Triandis, 1994) do not necessarily invalidate the usefulness of the average cross-cultural difference approach. Overall nation-wide system values seem to operate as sorting yardsticks on within-country value variety, producing the very average differences observed between countries in the first place. Similar sorting processes of attraction, selection and attrition have been proposed and investigated in the field of organisation theory to explain fundamental structural and cultural differences between organisations (see Schneider, 1987; Schneider et al., 1998). We believe that such insights are also applicable to the reproduction of national cultures and that future cultural research might benefit a great deal from exploring these putative sorting processes in greater depth.

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